



TRANSPORTATION

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OUR INEXCUSABLE INFRASTRUCTURE

The collapse of an overpass in Laval, Que., in 2006 that claimed the lives of five people sent a clear and tragic message that the need for immediate upgrades to the infrastructure of our country is urgent. *(continued on pg.2)*

IN THIS EDITION

Industry Notes

enviroTruck revs up in B.C.

Pitching In

Trailcon team walks to fight M.S.

Travel Tips

Crossing continents: from London to Cairo to Dubai

Customer Connection

National Fast Freight: on track for intermodal advancement

Tech Talk

Don't get caught flat!

Intermodal Insights

APL floats 53-ft. ocean containers and much more!

Editorial.....	3
Tech Talk.....	4
Pitching In.....	5
Customer Connection.....	6
Intermodal Insights.....	7
Travel Tips.....	8-9
Industry Notes.....	10-11
FYI.....	12-13
Boys & Their Toys.....	14
Frank Says.....	14
Calendar of Events.....	15

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Our inexcusable infrastructure

(continued from the cover)

Man-made structures do not have an infinite life cycle; it is inevitable that they will fail over time, even with the best structural designs from the best engineers. Ongoing neglect of our infrastructure is beginning to catch up to us with, in some cases, catastrophic consequences.

It could also cost us the opportunity to become the gateway of choice for goods moving into and out of North America. Canada will miss this chance, says a Conference Board publication, unless governments and industry work to address the shortcomings in the country's transportation network. "Of the three countries signing the North American Free Trade Agreement, Canada is closest to both Asia and Europe," says Professor Mary Brooks of Dalhousie University, author of "Addressing Gaps in the Transportation Network: Seizing Canada's Continental Gateway Advantage." Underlining that advantage is the spare capacity in Prince Rupert and Halifax compared to the congestion at Long Beach and Newark.

"Yet American shippers prefer to use American ports to avoid the Canada-U.S. border and the uncertainty associated with border delay," says the publication.

For years, the transportation industry and, in particular, the trucking community through its various associations have been appealing to the government to inject cash into our aging infrastructure, including border services. Until recently,

those pleas have fallen on deaf ears, for the most part. After all, allocating money to roads and bridges is far less sexy to voters than government spending on social services, education, and healthcare.

Still, infrastructure improvements and initiatives are under way in some regions of the country. As the Conference Board publication notes: "The major investments that the Canadian government is making in port and corridor infrastructure are good first steps."

Most recently, for example, the Premier of Nova Scotia announced a series of infrastructure projects that will help transform that province into the Atlantic Gateway of North America. That follows the 2005 announcement of the Pacific Gateway Strategy by the Government of Canada.

Late last year, the Ontario government pledged to increase funding for investment in infrastructure and transportation, to the tune of \$1,360 million. That follows more than \$1.7 billion spent in 2007 to improve the province's highways, roads, and bridges. Recently, it doled out another \$150 million to Ontario municipalities (not including

Toronto, which received \$206 million last fall), to help replace outdated infrastructure, topping up an existing \$300-million fund announced in 2007. On the federal level, the latest budget included an additional \$75 million over two years to bolster the Canada Border Services Agency's resources.

But it could be a case of too little, too late. The Conference Board noted that Canada is also falling short on the so-called "soft" issues, such as developing a highly skilled transportation management labour pool, and reducing regulatory barriers and administrative burdens.

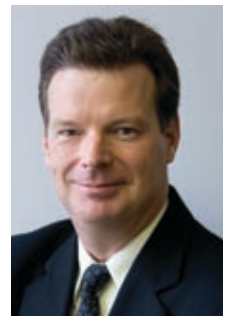
Simply put, Canada cannot serve as a North American gateway to the U.S. market if goods cannot be processed efficiently at the border. Canada also needs to have a human-resource strategy, supported both federally and provincially, to deal with the looming driver shortage and to ensure that we have individuals with the tools and skills to manage transportation systems and supply chains.

Otherwise, Canada will miss the boats – literally – as those vast fleets of container vessels will call elsewhere.



The case for long-combination vehicles in Ontario

by David Bradley, CEO, Canadian Trucking Alliance, and President, Ontario Trucking Association



Most people in the Ontario freight-transportation sector are acutely aware that the province's manufacturers and the business they generate are under significant threat due to a variety of factors – the appreciation of the Canadian dollar, problems in the auto sector, the thickening of the Canada–U.S. border, slackening U.S. demand, and the "China Syndrome." Ultimately, it will be up to the manufacturers to get themselves out of their current predicament. But they will also call upon their suppliers and government to do their bit where they can. Obviously, lowering wages to match those of China, or abandoning our environmental and labour laws will not happen. The solution, if there is one, must come from being smarter, through increased productivity. Trucking, as a key supplier and component of the supply chain, can and does play an important role in this regard.

Recently, a coalition of the Canadian Manufacturers & Exporters, the Automotive Parts Manufacturers' Association, the Retail Council of Canada, the Canadian Council of Grocery Distributors, the Canadian Vehicle Manufacturers Association, the Canadian Industrial Transportation Association, and the Association of International Automobile Manufacturers of Canada called upon the Government of Ontario to participate in a Transport Canada freight demonstration project, proposed by the Canadian

Trucking Alliance (CTA), that will look at ways to reduce greenhouse gas (GHG) emissions from trucks. The specific initiative that has captured the attention of the manufacturers and retailers is a component of the project that involves a demonstration of long-combination vehicles (LCVs) – twin 53-foot trailers – in Ontario.

Why are the associations interested? Because LCVs offer a potential increase in carrying capacity of between 90% and 100% compared to existing configurations. The freight demonstration project would confirm and quantify these productivity improvements. LCVs are particularly well suited for loads that "cube out" before they "weigh out." Many of the manufacturing industries located in Ontario, including auto parts, grocery products, pharmaceuticals, some wood products and other light-density products are ideally suited for shipment by LCV.

The stumbling block? These vehicles (in this case, specifically turnpike doubles) operate on multi-lane highways under special permits in almost every province in Canada, including Quebec, and numerous U.S. states (e.g., New York), but not in Ontario. So for the project to proceed, the Ontario Ministry of Transportation has to agree to issue a limited number of temporary permits (less than a dozen) for these vehicles to be operated on certain multi-lane highways under controlled conditions during a two-month

demonstration period.

The issue of permitting LCVs to be used in Ontario has been kicking around for years. There have been previous attempts to get LCV pilots off the ground, but they have been stymied by concerns at the political level over how the public would perceive their use. There has never really been any debate over the economic, environmental, or, for that matter, overall safety performance of LCVs. It has been a matter of political will.

Study after study has shown that LCVs have a safety record that is superior to that of any standard truck configuration used in general operations. This is attributable to the permit conditions, which restrict their use to carriers and drivers with superior safety records, to multi-lane highways, to certain times of the day, and to certain weather conditions. The strict permit conditions translate into rigorous safety practices. For example, one Alberta study estimated that LCVs account for a reduction of 67 collisions a year when compared to the number of collisions that would occur by using single-trailer configurations for the same operations.

LCVs also offer significant environmental advantages. Because they can achieve total fuel savings of about 30% over some existing equipment, there is an equal reduction in GHG emissions. In fact, a recent study sponsored by Natural Resources Canada and the CTA (and overseen by a steering committee

that included representatives from Climate Change Central, the Centre for Sustainable Transportation, Ontario's Ministry of Transportation, Transport Canada, and the Canada Safety Council) estimated that, for freight movements in Ontario alone, annual savings would be 54 million litres of fuel, leading to a reduction of 150 kilotonnes of GHG emissions.

The same study estimated that LCVs would account for about 10% of total truck traffic, reducing the total number of trucks on the highways by the same amount and eliminating the need for up to 750,000 trips per year on Ontario's already heavily congested roads and highways. This would mean up to 2,800 fewer trucks per day on Toronto-area freeways.

The controlled use of LCVs would be socially responsible policy. The freight demonstration project would confirm the safety, environmental, and infrastructure benefits.

So, is it finally the right time for Ontario to get on board? The Liberal government was handed a huge majority in the last provincial election. The province's manufacturing sector needs help. Reducing GHG is supposed to be the fight of our lives. Ontario and Quebec are currently engaged in the Ontario–Quebec Gateway and Trade Corridors initiative and discussions aimed at reducing interprovincial trade barriers.

Time will tell.

TECH TALK

Don't get caught flat!

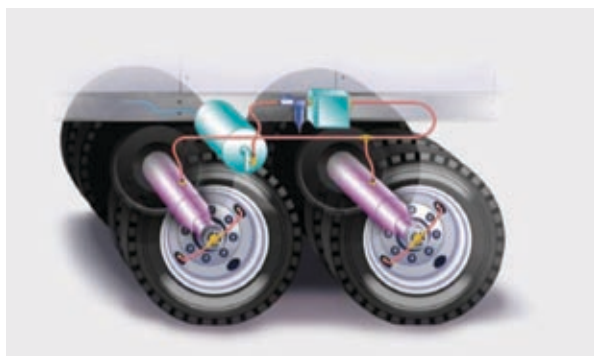
by Bob Hounslow, District Manager, ArvinMeritor

Tires are the #1 maintenance expense for commercial trucks and trailers. Tire companies continue to raise prices just to keep up with their increasing costs for the major raw materials. Natural rubber has more than doubled in price, while steel has also shown double-digit increases. Oil, the other major raw material used in making tires (rubber chemicals are all derived from oil), has soared to well over \$60 a barrel, exerting a significant impact on tire costs.

The 18 tires on a typical tractor-trailer cost anywhere from \$4,000-\$6,000, depending on the specific tire type/design. While running retreads on both the drive and trailer position will keep the expense at the lower end of the range, it is important that fleet drivers appreciate that new tires and retreads are a significant investment, and can make or break a fleet – as owner-operators well understand. Tires are designed to run at a given load and inflation pressure. Running 18 tires 10% under-inflated will cost you 1% in actual fuel economy; 20% under-inflation will result in more than 2% loss in fuel economy; and 30% under-inflation will incur a whopping 5% penalty in fuel. It all adds up!

Trailer tires account for approximately 40% of the tire rolling resistance on a typical tandem-axle tractor-trailer.

Numbers vary depending on specific vehicle and type of tire, but maintaining proper tire inflation pressure is critical to maximizing your fuel economy. Dual tires that have varying tire



Air routing of the Meritor Tire Inflation System.

pressures (i.e., 100 PSI outside dual, 70 PSI inside dual) will increase tire rolling resistance significantly. Tire revolution per mile changes with inflation pressure, and dual tires will see severe irregular wear conditions develop, which leads to even lower fuel economy.

Most tire manufacturers have "fuel-efficient" tires in their product portfolios. Typically, there is a tradeoff in removal miles when you purchase these kinds of tires, so it is important to work closely with your tire professional when buying them.

The simplest and best way to ensure that your air pressure is always correct and that you are maximizing the fuel economy in your fleet is by using an automatic tire inflation system.

Keeping tires running "cool" by maintaining recommended tire pressure is the secret to minimizing your tire expenditures. That's where the Meritor

Tire Inflation System comes to the rescue. Simple in design and operation, this system keeps trailer tires at a constant pressure. It will also maintain full tire pressure – for hundreds of miles if necessary – in the case of typical tread punctures, until they can be repaired.

How it works

Air from the existing trailer supply is routed to a control box, then into each axle. Acting as a conduit, the axles carry air through a rotary union assembly at the spindle end, which then distributes the air to each



Cut-away showing internal components at wheel end.

than one year.

- Compatible with Meritor Wabco PLC Display, with wheel-end heat-sensor technology.
- Easy to install on new and existing trailers.

With nearly two million tires



The simple, clean look of the Meritor Tire Inflation System.

tire as needed. The rotary union is the only moving part in the entire system, making it virtually maintenance-free.

Performance advantages

- Maintains full tire pressure to compensate for typical tread punctures and slow leaks until driver can have repairs made.
- Fast payback – usually in less

protected, ArvinMeritor is a market leader for safety, fuel economy, longer tire life, reduced maintenance, and increased uptime. For more information, contact Robert. Hounslow@ArvinMeritor.com or Mick Crowe, Service Manager, Trailcon Leasing, at mcrowe@trailcon.com.



PITCHING IN

HBC funds aid Olympic hopefuls

Hudson's Bay Company (Hbc) is donating \$2.9 million to Canadian Olympic hopefuls. Of that total, \$2 million was raised through the annual Hbc Run for Canada, held July 1. In-store activities and an annual golf tournament accounted for the remainder. The funds will go directly to 200 Canadian athletes, various national training centres, and the country's top sports organizations, in an effort to provide Canadian athletes with financial assistance and resources to help them reach the podium.

This donation is the third instalment of the \$20 million Hbc has committed to raise by 2012, primarily through the Run for Canada event. To date, the company has raised nearly \$6 million towards its goal.

More than 13,000 Canadians participated in the 2007 Run; in 2008, it will expand from 13 to 15 cities across the country.

For a complete list of the 200 Canadian athletes selected to receive funds through Hbc's Run for Canada program, visit www.hbcrunforcanada.ca/2008/athletes.php.



A stylish gesture



Meghan Gallagher displays her freshly shorn tresses for donation to Angel Hair for Kids.

Meghan Gallagher, the nine-year-old daughter of Trailcon Leasing sales and marketing manager Paul Gallagher, raised over \$1,600 for children from financially disadvantaged families who have lost their hair due to

cancer chemotherapy and radiation treatments. Meghan also had about a foot of her own hair chopped off to donate to Angel Hair for Kids, a national, not-for-profit program that provides wigs for children.

It takes between 10 and 12 ponytails and \$800 to make one personalized wig. Although the hair for the wigs is donated, funds are needed to turn it into wigs.

www.achildsvoicefoundation.com

Trailcon team walks to fight M.S.

Trailcon Leasing staff and friends will hit the pavement on April 13 in the Super Cities WALK for Multiple Sclerosis.

Every year, Trailcon supports a different charity. For 2008, we have chosen the Multiple Sclerosis Society of Canada, in support of our I.T. assistant Scott Schmale, whose mother suffers from this devastating disease.

The Super Cities WALK for MS 2008 is the Society's largest event fundraiser, involving over 70,000 participants and volunteers in more than 160 communities across Canada. The Trailcon team will be walking at the Mississauga – Lakeshore site.

M.S. is a debilitating disease that affects vision, hearing, memory, balance, and mobility. However,

significant progress has been made in the last few decades, and hope for finding a cure is at an all-time high. Money raised at the WALK will help fund groundbreaking research studies.

For more information on the WALK, or to register or donate, visit www.supercitieswalk.com.

CUSTOMER CONNECTION

National Fast Freight

On track for intermodal advancement

Although National Fast Freight is relatively young – it started shipping for its first customers in January 1992 – it is on the fast track to record growth. Over the past 15 years, sales have surged from \$10 million to nearly \$130 million.

The Concord, Ont.-based company's greatest strength lies in its intermodal LTL service to western Canada, but it also offers a solid intermodal service to eastern Canada, LTL in Ontario and Quebec, full load to western Canada and back, and LTL and full load into and out of the U.S., says Lori McCreight, vice-president and general manager. Through ties with its sister companies under the Calyx Transportation Group banner, National can also offer warehousing services; import, export and customs; and dedicated trucking.

That's a sharp contrast to the company's early years, when its only service was as a pool-car

carrier using CP as its linehaul provider to western Canada. "Shortly after we started our business, the trend for western Canada started to migrate from a pool-car to an intermodal service," says McCreight, a chartered accountant who joined the company 15 years ago as controller. "We made this conversion and have never looked back. Intermodal has definitely provided a more flexible operating frame." Whereas a pool-car container could take five to 10 hours to load, an intermodal container can be loaded in about two hours, she adds. In 2000, the company moved to the CN line, where it continues to thrive under the framework of the railway's IMX (Intermodal Excellence) initiative.

Housed in a 128-door cross-dock facility in Vaughan, National boasts a unique set-up that endears it to both the steamship lines and railways. Along with

its warehouse, the company has established a container yard. Steamship lines with whom National has relationships use the yard to store their empty containers. When they need containers, the steamship lines notify National as to the number and destination. "Then we take them out of the yard, put them on chassis, load them up, and send them," says McCreight. That way, "we get the box where it really needs to go," which helps both the steamship lines and the railways. "Years ago, without that yard, we were very reliant on the railways to supply equipment," she recalls. "If they were running low, we didn't get any boxes. Now we always have some inventory, so we're never short."

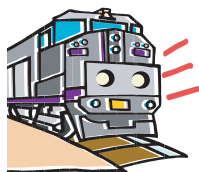
National started working with Trailcon Leasing only recently, when it leased 56 new Trailmobile Ultraplate 53-foot Tridem trailers that are now being deployed at National's terminals

across Canada. "We were looking for leasing options, as one of our objectives is to maintain an asset-light balance sheet," explains McCreight. "Trailcon offers both the level of service we need, the quality of product we require from a supplier, and competitive prices. It fits with our SCOPE philosophy."

"SCOPE" is the acronym that represents the five cornerstones of the organization: service, cost control, organizational health and safety, people, and equipment. "Each one has its own focus within our organization," says McCreight, "and is referenced with each goal and objective that we set."

That philosophy has stood the company in good stead as it continues to SCOPE out new opportunities for advancement.





INTERMODAL

INSIGHTS

APL floats 53-ft. ocean containers

You've probably heard of "Ocean's Eleven" and its sequels. Now make way for "Ocean53," the world's first 53-foot ocean-capable containers.

The mammoth containers, introduced by Singapore-based carrier APL, boast 60% more capacity than standard 40-foot containers. Previously, the larger-size containers were not strong enough to withstand the rigors of ocean transport, even though they are commonly used for domestic intermodal transportation. That meant that cargo had to be transferred – or trans-loaded – into 53-foot containers at the ports for transport by truck or rail to the final destination.

Ocean53 containers, however, are reinforced, so importers can ship cargo right from the factories in Asia all the way to store doors without trans-loading. That translates into lower costs for shippers, and less handling and congestion at ports.

"Our objective is to move big-box economics farther back in the supply chain where products are manufactured in Asia," says CEO Ron Widdows.

The first units are being deployed as part of a weekly service on APL's South China to Los Angeles route. Recently, Canadian carrier Oceanex Inc., a leading player in the east coast transportation industry, announced that it had purchased 150 of the containers. "While these units will be used primarily to serve our

Newfoundland customers, this investment further demonstrates our commitment to meet client requirements throughout Eastern Canada," says Captain Sid Hynes, executive chairman.

Cargo traffic up at Port of Prince Rupert

Thanks in part to the opening of its Container Terminal last October, cargo traffic at the Port of Prince Rupert was up 37% in 2007 over the previous year. COSCO, the first container ship to call, moved 16,703 TEUs through the Port in its two months of weekly service in 2007 – far short of the Terminal's capacity, but still a strong start.

"Our focus now is to achieve full utilization of the 500,000 TEU facility and complete the groundwork to begin construction of Phase 2 of the Prince Rupert Container Terminal by early 2009," says Dale MacLean, chair of the Prince Rupert Port Authority board of directors

2007 a good year for intermodal

Despite a decrease in intermodal loadings in December, when freight loaded fell 17% to 2.1 million metric tonnes, 2007 was still a good year. Intermodal loadings increased 1.7% for the year, to 28.8 million metric tonnes. Container loadings rose 1.7% to 27.8 million metric tonnes, while trailer loadings inched up 0.6% to 984,000 metric tonnes.

Railways set a record in both October and the third quarter of the year for the highest intermodal carloadings since 1999.

CN steams to record profit

As the old Frank Sinatra song goes, 2007 "was a very good year" for CN as it recorded a tidy profit of \$2.16 billion, compared with \$2.09 billion the previous year. Although operating ratio deteriorated 1.8 points to 63.6%, compared with 61.8% in 2006, and revenues fell from \$7.92 billion to \$7.89 billion, net freight increases and an overall improvement in traffic mix offset these factors.

For the fourth quarter of 2007, CN reported net income of \$833 million, a whopping 67% improvement over the \$499 million recorded in the same period of 2006, and bolstered by a deferred income tax recovery of \$284 million.

"CN faced strong headwinds in 2007, but we turned in a solid performance for both the quarter and the year," says E. Hunter Harrison, president and CEO. "The major challenges were weak housing markets in the U.S., the continuing strength of the Canadian dollar that affected our U.S. dollar-denominated revenues, a strike in the first quarter, and a number of weather-related issues, particularly in western Canada."

He predicts that 2008 will be "challenging in some areas," but

will also offer opportunities for growth. The strongest of these, he notes, is "intermodal as a result of the new Prince Rupert gateway for containerized goods moving between Asia and North America." CN recently began operations at its \$20-million intermodal terminal and distribution centre in Prince George, B.C. The hub was built to complement the Prince Rupert Container Terminal, situated 800 kilometres west, by generating backhaul traffic destined for Asian markets through the Port.

In partnership with shippers Suncor Energy Inc., OPTI Canada Inc., and Nexen Inc., CN is also acquiring the Athabasca Northern Railway Ltd. to preserve a critical rail link to the oil sands region of northern Alberta.

The company is targeting revenue growth in 2008 of 6-8%.

CPR reports solid results

Canadian Pacific Railway's profit for 2007 soared 19%, to \$946 million from \$796 million the previous year, driven by an increase in operating income and a foreign exchange gain on long-term debt. Income increased 7% to \$673 million from \$628 million in 2006, while operating ratio improved slightly, from 75.4% to 75.3%.

The railroad expects to grow total revenue by 4-6% in 2008, despite the uncertain outlook for growth in the North American economy.



TRAVEL

CROSSING CONTINENTS

— FROM LONDON TO CAIRO

by Ken Henwood, President, Reefer Sales & Service

This past February, I had the opportunity of a lifetime, traveling across three continents to visit the United Kingdom, Egypt, and the United Arab Emirates with my girlfriend Patricia and a few of my closest colleagues.

We began the trip in London, England, with a visit to the famous Dominion Theatre for a performance of “We Will Rock You,” the musical by Queen. The show was spectacular, and our trip was off to a “smashing” start.

The following day, we took a tour of Buckingham Palace, the Tower of London, and Westminster Abbey. With its beautiful wrought-iron gates and exquisite décor, Buckingham Palace, the official residence of the British monarch and the Royal Family, is a major tourist attraction. The Tower of London is a completely different style. Surrounded

by two defensive walls and a moat, this smaller palace once served as a fortress, prison, armory, treasury, Royal Mint, and observatory, and now houses the Crown Jewels of the United Kingdom. Visiting Westminster Abbey was like stepping into the past. It’s a huge, gothic-style church that exudes spirituality, something that everyone needs to experience. After two full days in London, we left our amazing accommodations at the Ritz London, and were off to our next destination.

We arrived in Cairo, Egypt, at about 11:00 p.m. The glow of lights surrounding the Nile River, which overlooks the downtown metropolis, was stunning. The next day, we took a tour of the Pyramids of Giza, as well as the Egyptian Museum. It was a humbling experience to see the

Pyramids, one of the most lasting representations of the ancient Egyptian civilization, and be able to reach out and touch them. The Museum of Egyptian Antiquities is home to over 100,000 artifacts, ranging from coins and ancient papyrus scrolls to statues and coffins. The most impressive were the treasures of Pharaoh Tutankhamun, the Boy King. There are decorated chests, gold jewelry, weapons, and different instruments, but our favourite was the famous Gold Mask, a 24-pound solid-gold facemask said to be a likeness of the Pharaoh. Later that evening, we had the opportunity to watch one of the legendary Light and Sound shows at the Pyramids. It was remarkable to see the old Pharaohs come “alive” and tell their stories. We also visited the Khan El-Khalili bazaar, which trans-



Patricia Lara in front of the Burj al Arab, Dubai, UAE, the world’s only seven-star hotel.



Illuminated Great Sphinx (foreground) and pyramid at Giza, Egypt.



Tower Bridge, London, England.

TINENTS TO DUBAI



Dune Bashing in the Al Awir desert.



The Gherkin, an example of London's modern architecture rising above the historical city.

ported us back to the traditional medieval ways of marketplaces, and the Muhammad Ali Mosque, one of the largest of over 4,000 mosques in Cairo. The Mosque is located in the Citadel of Cairo, which was built between 1176-1183 as a royal residence and military barracks.

Dubai lived up to its reputation as one of the hottest new international travel destinations – and business centres – in the world. It has 950,000 permanent residents, and another 2.5 million ex-pat workers, at least half of whom are from India. English is spoken throughout the city, so language is not a barrier to communication. The city is also immaculately clean – no litter or garbage in sight. Be prepared, however, to fork out the big bucks, as accommodation

and meals are very expensive.

The first thing we did was tour the city to visit some of its most prominent landmarks, such as the Jumeirah Mosque, the World Trade Centre, the Dubai Museum, and the souks, which are similar to the bazaars in Egypt. In particular, we enjoyed browsing in the Gold Souk, which consisted of rows of shops crammed with the most beautiful gold in the world. Since it was Valentine's Day, it was only appropriate to buy some of their wonderful merchandise. Later, we went to the world-famous Burj Al-Arab hotel to eat at the Al Mahara restaurant. This hotel, like most of the buildings in Dubai, is built in the shape of a sail to resemble a "dhow," a

traditional Arab sailing vessel.

Al Mahara was one of the highlights of my trip, as it is a completely submerged restaurant surrounded by 300,000 litres of coral reef aquarium and tropical fish, with a preset menu of some of the most exquisite seafood I've ever tasted. It was a perfect way to end the evening.

The other highlight of our trip to Dubai was four-wheeling on the sand dunes (see "Boys & their Toys," page 14). We had a traditional Arabic barbeque afterwards, in an old-fashioned Bedouin village and camel

camp, with belly dancers as our entertainment and all sorts of meats and salads.

We capped off the day with a Dhow Cruise. Sailing past the sights of the Dubai Creek, fortified with drinks and wonderful food, listening to music and feeling the cool sea breeze on our faces, was an incredible way to end our trip. I left the United Arab Emirates thinking that Dubai is a destination that everyone should see once.

The tourism industry is huge in both Dubai and Egypt, and we found that all of the people we encountered were friendly and accommodating. It was truly the trip of a lifetime.



Enjoying a traditional Arabic barbeque in an old-fashioned Bedouin village.



Patricia and I at the Great Pyramids at Giza.

INDUSTRYNOTES

APPS continues to drive west

Brampton-based APPS Transport Group continues to expand westward. In October, the company took over the terminal operations of Western Reload, an intermodal service provider and long-time APPS partner headquartered in Calgary. That was followed in December by the takeover of Legacy Transport Logistics, Richmond, B.C., another APPS partner.

"This move is part of APPS Transport's strategic expansion across Canada," says Rob McDonald, president, of the latest acquisition. "From this terminal, we now have our own fleet and staff servicing Vancouver and throughout British Columbia, allowing us to continue to strengthen our service to our customers."

Legacy's 70,000-square-foot terminal, a multi-use facility providing trans-load services and freight warehousing for import shipments, has been integrated into the APPS Transport Group operations.

U.S. firm acquires Fastrate

New York-based private-equity firm Fenway Partners has acquired Consolidated Fastrate (CFF) Inc., Canada Drayage Inc., and Koch Transport—together known as Fastrate.

Founded in 1966, Fastrate is one of the largest privately owned providers of transportation and logistics in Canada, employing more than 1,500 people and

transporting more than two billion pounds of freight annually.

Fastrate president and CEO Ron Tepper and other members of senior management will have a 25% ownership stake.

In other news, CFF announced a \$500-million agreement with Canadian Pacific that extends their existing contract for 10 more years, bringing it to 50 years. The two parties have a national co-location program whereby CFF builds all its centres adjacent to CP intermodal terminals, allowing both companies to enhance service and achieve cost efficiencies.

Vitran purchase adds U.S. West Coast port access

Vitran Corporation Inc., Toronto, has acquired retail supply-chain management specialist Las Vegas/L.A. Express Inc. (LVLA), based in Ontario, Calif., for approximately \$12.6 million in cash.

"Vitran Logistics has developed an expertise in the retail supply chain, and LVLA's retail client base augments our initiatives to support and re-engineer North American supply-chain requirements," says Vitran president and CEO Rick Gaetz. "Their California base of operations is very appealing as we focus on developing off-shore opportunities through the Port of L.A. in a similar fashion to our successes on the Canadian West Coast."

LVLA adds 470,000 square feet of supply-chain logistics space

under management, bringing Vitran's total to 1,240,000 throughout Canada and the U.S.

Purolator Courier wins award for corporate culture

Purolator Courier Ltd. has been named one of Canada's 10 Most Admired Corporate Cultures in the 2007 Corporate Culture Study conducted by Waterstone Human Capital.

The award, whose candidates are nominated by business leaders across the country, recognizes Purolator's commitment to open communication, providing a healthy workplace, supporting employee development, and rewarding performance.

Concord forms U.S. partnership

Concord Transportation, Toronto, has formed a partnership with New England Motor Freight (NEMF), Elizabeth, N.J., whereby Concord will receive NEMF freight in Chicago for delivery to Western Canada, in Toronto for Ontario deliveries, and in Montreal for shipments to Quebec and Atlantic Canada. In exchange, Concord freight destined for the Northeast U.S. will flow through NEMF.

Rick Brooks, Concord's senior vice president, sales, says: "By utilizing our team service over the road from our Chicago gateway, Concord will provide significant transit improvements to Western Canada over NEMF's previous service partner. As well,

both members of the partnership will benefit from the complete integration of our IT components to offer seamless connectivity and optimum service levels to our customers."

NEMF, a family-owned LTL carrier, has 35 company-owned terminals throughout the Northeast and Midwest U.S.

Day & Ross completes buy of Wesbell Logistics

The Day & Ross Transportation Group, Hartland, N.B., a fully owned division of McCain Foods Limited, has completed the acquisition of Wesbell Logistics Services, a privately held Canadian company based in Mississauga, Ont. Wesbell will be integrated into Day & Ross' Dedicated division.

"The combination of Wesbell Logistics Services with Day & Ross' cross-Canada network positions us well for continued growth, as we can now offer a unique blend of custom-tailored and cost-effective transportation and distribution solutions," says John Doucet, president and CEO. "Our customers will have the benefit of dedicated contract carriage, warehousing, value-added parts distribution, route management, and more."



Bradley warns against carbon tax

With its latest budget, the British Columbia government became the first jurisdiction in North America to introduce a full-fledged carbon tax. Countries like Norway and the U.K. already have some form of the tax, and it is being discussed in the EU and California, says David Bradley, CEO of the Canadian Trucking Alliance and president of the Ontario Trucking Association.

As far as the trucking industry is concerned, Bradley says it takes its environmental accountabilities seriously. While he could perhaps see some merit in replacing other taxes with a properly structured carbon tax if the revenues were used to fund the proposed enviroTruck program, "that's a big 'if.' The last thing the trucking industry needs are higher fuel costs and more fuel taxes," he notes. "At 15% to 30%, fuel is the second-largest component of carrier operating costs after labour. The current provincial and federal diesel fuel taxes are antiquated and regressive."

Taxes on business inputs, like the diesel fuel taxes, are counter-productive and "job killers," he says. The trucking industry, particularly in those jurisdictions that have not harmonized their sales taxes with the GST, already pays too high a share of tax on its business inputs compared to other industries, he adds.

"To me, the excise tax on diesel fuel is just another tax on a business input, and if I had my

druthers, it would be harmonized with the GST. Maybe then we could sit down and have a reasonable debate about carbon taxes. Until then, I remain wary," he concludes.

Cross-border truck trips plummet in 2007

The number of cross-border truck trips between Ontario and the U.S. fell for the third straight year in 2007 to its lowest point since 1998, according to figures compiled by the Bridge and Tunnel Operators Association.

In 2007, there were 8,049,136 truck trips across the Ontario-U.S. border, down from 8,267,931 in 2006, a decrease of 2.6%.

Ontario Trucking Association president David Bradley called the numbers "clear and unequivocal evidence of the extent to which Ontario's export-based economy has been battered by the combination of a high dollar, high fuel costs, the ever-increasing thickening of the U.S. border, and slackening U.S. demand."

He called on governments at all levels to help Ontario's economy cope with the challenges confronting it, by improving infrastructure, and allowing truckers to use more productive trucks, such as Long-Combination Vehicles, among other measures.

The recent federal budget, while it contained no direct benefits to the trucking industry, allocated an additional \$75 million to the Canada Border Services Agency to increase its resources at the border.

enviroTruck revs its engine in B.C.

The Canadian Trucking Alliance's (CTA) enviroTruck initiative, designed to accelerate the penetration of new smog-free heavy-truck engines and greenhouse-gas-fighting/fuel-efficiency technologies in the trucking industry, is becoming a reality in British Columbia.

Thanks largely to the B.C. Trucking Association's promotion of the concept, the Fraser Basin Council, a non-profit organization that focuses on sustainability issues, has announced an incentive to encourage the B.C. trucking sector to adopt emission-reduction technologies.

Up to \$10,000 is available for each vehicle that meets the Council's enviroTruck standard, to a total of \$70,000—"a modest start but a significant step in the right direction which we are hopeful can be built upon over time," says David Bradley, CTA's CEO. "CTA will continue to lobby the federal government and work with provincial associations to encourage other provincial governments to follow the B.C. example."

TransForce buying spree continues

Montreal-based TransForce Income Fund has completed its latest acquisition, privately held LTL and truckload carrier Thibodeau Group of Companies, Portneuf, Que. Thibodeau, which has 815 employees, and 1,530 tractors and trailers operating out of 14 terminals, will give TransForce greater capacity in these segments in Eastern Canada.

For 2007, TransForce's revenue increased to \$1.9 billion from \$1.8 billion in 2006. It paid a total of \$128.7 million in regular distributions to tracking shareholders and unitholders, which represents 97% of cash available for distribution, versus the 81.9% paid in 2006. Cross-border LTL and truckload segments were negatively affected by declines in trade activity, says chairman, president and CEO Alain Bédard.

In other TransForce news, LTL Group member Canadian Freightways, Calgary, and its Epic Express division has partnered with five regional U.S.-based carriers to create The Reliance Network. The partnership offers LTL, truckload, and supply-chain freight services throughout North America.



FOR YOUR INFO



Automobile oddities

Auto manufacturers have come up with some pretty bizarre concept cars over the years. Many of them never make it to market – and usually with good reason!

Here, according to *CAA Magazine*, are five of the strangest.

1. Convair 118 ConvAIRCAR, 1947. The stuff of *The Jetsons*, the ConvAIRCAR was basically a regular car with a detachable propeller and wings. It actually could fly, but the prototype literally crashed and burned before it ever really got off the ground.

2. Aurora Safety Car, 1957. In many ways ahead of its time, the Aurora Safety Car incorporated then-revolutionary technology like seat belts, a roll cage, and side-impact beams. But alas, the \$12,000 price tag, the 180-degree swivelling seats, and the fact that it broke down 15 times on the way to its own media launch made it a safe bet for the junk heap.

3. Ford Nucleon, 1957. A relic of 1950s-era fascination with all things atomic, this nuclear car was powered by uranium. Ford's engineers figured it could go about 8,000 kilometres between recharges, but the pesky matter of radiation caused this vehicle to bomb.

4. Ford Seattle-ite XX1, 1962. Unveiled at the 1962 World's Fair, this sedan had four wheels in front for improved braking and handling, fuel cell technology, and even a "travel computer" (basically, a self-scrolling map). But perhaps it was the detachable engine compartment that stalled this car's progress.

5. General Motors Runabout, 1964. Perhaps mindful of Ford's six-wheel failure, GM created a three-wheel car (one in front and two in the back) that was easy to park, had plenty of storage room, and—inexplicably—came with a pair of built-in shopping carts!

Canadian exports catch the wave to China

We often hear about the growing volume of merchandise that Canada imports from China, but those vessels don't go back empty. In fact, from 2002 to 2006, Canada's exports to China nearly doubled to \$8 billion, and, for the first seven months of 2007, they soared 43% – more than twice the pace of our imports at 17%, according to an article published in the *Canadian Economic Observer*.

The 2007 gain was the largest posted by any G7 country, "and put China neck and neck with Japan as Canada's third largest export market," noted the article. Not surprisingly, the lion's share of these exports were natural resources to fuel China's massive infrastructure projects and manufacturing, especially nickel for the production of stainless steel.

Meanwhile, Canada's status as

the top country from which the United States imports has been usurped by China. While exports from Canada to the U.S. increased by US\$10.7 billion to US\$313.1 billion in 2007, those from China grew by US\$33.7 billion to US\$321.5 billion, according to the Bureau of Economic Analysis. Increasing exports of energy, metals, and agricultural goods from Canada to the U.S. have largely been

offset by declines in forestry and, to a lesser extent, automobiles, as well as the rising loonie.

However, Canada is now putting fewer eggs in the proverbial basket. Although the U.S. is still our biggest trading partner, accounting for 76.4% of our exports in 2007, that's down from 79.2% in 2006. On the other hand, 23.6% of our exports went to the rest of the world in 2007, compared with 16% only five years ago.

Word watch Junket

Nowadays, the word "junket" usually refers to a trip taken by a politician and paid for by taxpayers (Canadian senators in Dubai comes to mind). However, those of us of a certain age may remember eating Junket – a kind of custard-type dessert mix that came in a box like Jello – as a kid.

Interestingly, the origin of "junket" actually relates to this dessert, which dates back to the Middle Ages when it was made from milk curds and flavouring, not from a box.

Back in the 14th century, a junket was a basket made of rushes or reeds (from the Latin "juncus," meaning "rush"). These baskets

were used primarily to carry fish, but at some point, people began to use them as containers for making and transporting the sweet dessert called junket. Within a few years, "junket" had come to mean any dessert one might take to a party or picnic. Eventually, it came to mean the party, picnic, or other festive occasion itself.

Once it came to mean "a festive picnic," the stage was set for it to acquire, by the late 19th century, its modern meaning.

Sources: www.word-detective.com, www.answers.com



Stranger than fiction

The next time you question someone's taste in reading, think of these tantalizing tomes. *The Bookseller* magazine recently revealed its shortlist for "Oddest Book Title of the Year." Here are the five worthy runners up:

- *How Green Were the Nazis?* [and how relevant is the question?]

- *D. Di Mascio's Delicious Ice Cream: D. Di Mascio of Coventry: An Ice Cream Company of Repute, with an Interesting and Varied Fleet of Ice Cream Vans* [the journey is everything]



- *Tattooed Mountain Women and Spoon Boxes of Daghestan* [say what?]

- *Proceedings of the Eighteenth International Seaweed Symposium* [and to think we missed the previous 17!]

- *Better Never to Have Been: The Harm of Coming into Existence* [and writing this book]

And the winner is: *The Stray Shopping Carts of Eastern North America: A Guide to Field Identification*, by Julian Montague. Oft have we debated whether that rusting cart lying in the ditch came from Longo's or Loblaw's.

SITE-SEEING



www.ClickGreener.com

If you're shopping online, this new site will allow you to raise money to help the environment, all at no extra cost.

ClickGreener.com donates 51% of the referral fee from each online purchase to various environmental groups, including World Wildlife Fund-Canada, Canadian Wildlife Federation, and Tree Canada. Referral fees, which are paid to the Web site by the participating retailers, typically run 5-10% of the purchase price. The site also identifies green products available from the retailers.

At last count, there were 44 participating Canadian retailers/service providers, including Indigo Books & Music, Amazon.ca, Canadian Tire, and WestJet. Shoppers simply click on the desired store from the ClickGreener.com Web site and complete the purchase as usual.

www.roadsideattractions.ca

Many of us are familiar with The Big Apple on the south side of Highway 401 in Colborne, Ont., or the Big Nickel in Sudbury. But how about the World's Largest Pig (maybe) in Englefield, Sask.? Or Big Bruce the Bull in Chesley, Ont.? Or the World's Largest Illuminated Fiddle in Sydney, N.S.?

If your road trips don't take you past these and other roadside attractions, you can visit them virtually at this Web site. Ed Solonyka has collected 893 photos – and counting – since he started this site in 1998. You can search through them by location, by alphabetical listing, or by type, including "Planes on Pedestals." There is even an archive for roadside attractions that no longer exist, if you're feeling nostalgic and want to see that kitschy hotdog stand in Balm Beach again.

BOYS & THEIR TOYS...

by Ken Henwood, President, Reefer Sales & Service

"Dune Bashing," one of the most popular recreations in the United Arab Emirates, is an adrenaline rush that everyone should experience at least once in their lifetime. Following a brief 20-mile trip east from our hotel in Dubai to the Al Awir desert, the drivers make a final check of our 4x4 Landcruisers. The tires are deflated to about half-pressure to cope with the hot, wind-blown sand.

And then we're off, over the brow of a hill and straight into the vast expanse of desert, accelerating up a gigantic dune, pausing at the summit to take in the magnificent view and the towering dunes that surround you, and then slip-sliding down the steep slope while surveying the scene and selecting the next dune to conquer.

While our knuckles may have turned white at times, we needn't have worried; the drivers know every inch of the terrain. Our Landcruiser powers up yet another improbable slope before swooping downwards on the equivalent of a skiing black diamond run, just avoiding small spots of scrubby vegetation that somehow survive in the arid desert, or small herds of camels, who pay no attention to the daily disturbance.

There are sensible, conservative ways of steering a path between the cuts and curls of these towering dunes, but where's the fun in that?



FRANK SAYS...

Frank was somewhat crankier than usual when we met for lunch recently.

It seems his father, a World War II veteran, was planning to take a tour of the battle-

fields of Europe, and was just beginning the tedious process of renewing his passport. That was enough to set off Frank

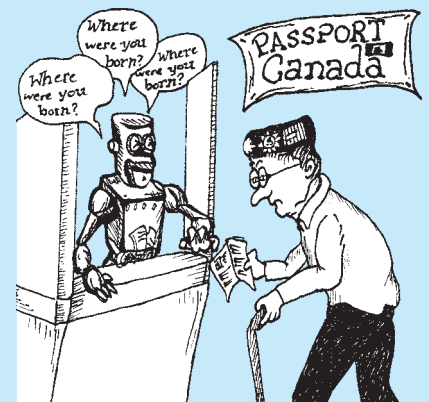
"The application process hasn't changed since he got his first passport 30 years ago," he fumed. "How is it that my local electronics store has my address and phone number and knows I bought a CD player from them back in 1997, and yet the federal government is still asking us where we were born and on what date. In this day and age, do they do all this by hand?" he asked incredulously.

"And why do we have to keep filling out

the same stupid forms every five years?" he demanded indignantly. "My father's name hasn't changed; his birthday hasn't changed. The government has all that information on his driver's license, his health insurance card, his tax returns, and his social insurance card, not to mention the last six passports he's had.

"And you know what really ticks me off?" he raged on. "My father has lived in this country all his life. He fought in World War II, and his father in World War I. Yet he still has to get someone 'important' to verify who he is – someone like his doctor who was born and raised in China!"

I gently pointed out to Frank that the government had brought in what it calls the "simplified passport application" late last year. Now, almost anyone can be a guarantor – if, in fact, you need a guarantor at all, I explained. Expecting him to be pleased about this revelation, I was some-



what taken aback when Frank snorted: "So if any Tom, Dick or Hongbo can vouch for him, why do we still have to go through this bureaucratic B.S. at all?"

I had to admit he had a point.

As Frank says:

"The only thing that's simple about getting your passport renewed is the idiot in charge."

CALENDAR OF EVENTS



April 14-17

SAE 2008 World Congress
Cobo Center, Detroit, Mich.

Contact: Society of
Automotive Engineers
Telephone: 1-877-606-7323
Web: www.sae.org

April 17

**Toronto Transportation Club
presents Cirque du Soleil**
Mississauga Convention Centre

Contact: Andrée Baillargeon,
Toronto Transportation Club
Telephone: 416-886-5450
E-mail: sec_treasurer@toron-totransportationclub.com
Web: www.torontotransportation-club.com

April 17-19

Truck World

International Centre, Toronto
Contact: Newcom Business Media Inc.
Telephone: 416-614-2200
Web: www.truckworld.ca

April 21-24
NA08

I-X Center, Cleveland, Ohio
Contact: Material Handling
Industry of America
Telephone: 1-800-345-1815;
704-676-1190
E-mail: cmiller@mhia.org
Web: www.nashow.com

April 30-May 1

**Intermodal Operations &
Maintenance Seminar**

*Oak Brook Hills Marriott Resort,
Oak Brook, Ill.*
Contact: Intermodal Association
of North America
Telephone: 301-982-3400, ext. 332
E-mail: iana@intermodal.org
Web: www.intermodal.org

May 1

**Deadline for submissions
to 2008 PMTC Awards
Programs**

Contact: Private Motor Truck
Council of Canada
Telephone: 905-827-0587;
1-877-501-PMTC
E-mail: info@pmtc.ca
Web: www.pmtc.ca

May 1-2

**Intermodal Operations &
Maintenance Seminar**

*Oak Brook Hills Marriott Resort,
Oak Brook, Ill.*
Contact: Intermodal Association of
North America
Telephone: 301-982-3400, ext. 332
E-mail: iana@intermodal.org
Web: www.intermodal.org

May 4-7

2008 WERC Conference
Chicago

Contact: Warehousing Education
and Research Council
Telephone: 630-990-0001
E-mail: wercoffice@werc.org
Web: www.werc.org

May 5-6

**41st Annual Supply Chain
and Logistics Conference**

*Paramount Conference and
Event Venue, Vaughan, ON*
Contact: Supply Chain & Logistics
Association Canada
Telephone: 905-513-7300;
1-866-456-1231
E-mail: info@sclcanada.org
Web: www.sclcanada.org

May 11-15

CCMTA Annual Meeting
*Fairmont Newfoundland,
St. John's, NL*

Contact: Canadian Council of
Motor Transport Administrators
Telephone: 613-395-3119
E-mail: ccmta-secretariat@ccmta.ca
Web: www.ccmta.ca

May 21

**OTA Allied Trades Annual
Spring Golf Tournament**

*Glen Eagle Golf Club,
Bolton, ON*
Contact: Melanie Kowdrysh,
Ontario Trucking Association
Telephone: 416-249-7401, ext. 231
E-mail: melanie.kowdrysh@ontruck.org

May 25-30

**Executive Program in
Supply Chain and Logistics
Management**

*Schulich Executive Learning
Centre, York University, Toronto*
Contact: Schulich Executive
Education Centre, York University
Telephone: 416-736-5079;
1-800-667-9380
E-mail: exceedinfo@schulich.yorku.ca
www.seec.schulich.yorku.ca

May 26

**PMTC Ontario Spring
Golf Tournament**

*Markland Wood Country Club,
Toronto*
Contact: Private Motor Truck
Council of Canada
Telephone: 905-827-0587;
1-877-501-PMTC
E-mail: info@pmtc.ca
Web: www.pmtc.ca

May 27-30

**44th Canadian Fleet
Maintenance Seminar**

*DoubleTree International Plaza
Hotel, Toronto*
Contact: Rod Henderson,
General Manager
Telephone: 519-886-6265
Web: www.cfmsonline.com

May 28

TTC Spring Golf Tournament

*Glen Eagle Golf Club,
Bolton, ON*
Contact: Andrée Baillargeon,
Toronto Transportation Club
Telephone: 416-886-5450
E-mail: sec_treasurer@toron-totransportationclub.com
Web: www.torontotransportation-club.com

June 9

SCL 6th Annual Golf Classic
*Lionhead Golf & Country Club,
Brampton, ON*

Contact: Supply Chain & Logistics
Association Canada
Telephone: 905-513-7300;
1-866-456-1231
E-mail: info@sclcanada.org
Web: www.sclcanada.org

June 13-15

The Stirling Truck Show
**(formerly Eastern Ontario Big
Rig Truck Show and Shine)**

Stirling Fairgrounds, Stirling, ON
Contact: Stirling and District Lions Club
Telephone: 613-395-3119
E-mail: info@truckshowandshine.com
Web: www.truckshowandshine.com

June 19-20

**PMTC Annual General Meet-
ing and Conference**

*Queen's Landing,
Niagara-on-the-Lake, ON*
Contact: Private Motor Truck
Council of Canada
Telephone: 905-827-0587;
1-877-501-PMTC
E-mail: info@pmtc.ca
Web: www.pmtc.ca

Why do I need another UPGRADE?



6950 Kenderry Gate, Mississauga, Ontario L5T 2S7
Telephone: 905.670.9061 Toll Free: 866.939.9061
Fax: 905.670.9066 Service: 905.670.1500
Parts & Warranty: 905.670.7003

8240 Woodbine Ave., Markham, Ontario L3R 2N8
Telephone: 905.474.1690 Fax: 905.474.3871

13008 - 151 Street, N.W., Edmonton, Alberta T5V 1G8
Telephone: 780.454.9061 Fax: 780.454.9075

Website: www.trailcon.com Email: sales@trailcon.com

It seems that every time we think we're running the latest and greatest software, the inevitable "an Upgrade release is now available" message pops up on our computer screen. Why do we constantly need new tools to do our everyday tasks?

We are in a new era of transportation, and Trailcon's management and staff understand the challenges our customers face. That's why we have offered value-added software tools to assist our customers with equipment utilization, cost analysis, and real-time reporting. We have found that no single solution can do it all. However, if we can integrate these technologies in a way that is affordable and user-friendly for our customers and for Trailcon, and if we can supply this software as added value to Trailcon's existing management and service packages, everyone wins.

And that's where Unit Management Systems (UMS), one of the new upgrades to our current software, comes in. Trailcon believes that if you can't find it, you can't service it. If you can't service it, you can't rent it, and so the search for an effective software solution was on. After evaluating everything from GPS to RFID technology, Trailcon still had not found the answer to the question: what happens to the equipment when it is returned to the yard?

UMS provides the answer, with a simple solution that reveals equipment status and location. Together, Trailcon and UMS give you easy-to-use software that actually works with your existing package. Trailcon knows this because we are now running a full pilot test, with plans to go live this summer. Stay tuned!

